

Date Mailed November 19, 2002

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Administration of the Universal Service Fund

05-GF-104

FINAL DECISION

One of the programs in the Universal Service Fund (USF) rules in Wis. Admin. Code ch. PSC 160, is the high rate assistance credits program, which is designed to assure that residential rates for basic telecommunications service are affordable in all parts of the state. Under this program, described in Wis. Admin. Code § PSC 160.09, a threshold level of local rates is established for each county. If a local telephone company charges a price for its service higher than that threshold level, the company charges the customer only the threshold rate (plus a specified portion of the amount above the threshold) and recovers from the USF any additional amounts needed to pay for the service.

For the purpose of calculating high rate assistance credits, the threshold rate is tied to the median household income in a county. The price of service that is compared to the threshold rate level includes the basic monthly rate for service, the federal end user subscriber line charge, and usage charges based on the local calling area of an exchange. The usage charge calculations include, for certain areas, the price of intrastate toll service times a specified number of minutes.

In its October 11, 2001, Final Decision, pursuant to Wis. Admin. Code § PSC 160.01(2)(b), the Commission approved the adoption of requirements different than those contained in the current USF rule relative to calculation of the median household income input to the high rate assistance credit plan. The method approved by the Commission inflated 1989 county median household

income by the average annual growth rate in per capita personal income from 1989 to 1998. This method was chosen because up-to-date median household income information from the 2000 census was not yet available.

County median household income for 1999 is now available from the 2000 census. Accordingly, credits under Wis. Admin. Code § PSC 160.09 should be recalculated with this updated information. A list of the median household incomes by county is included in Appendix A.

At its open meeting of November 7, 2002, the Commission directed that each local exchange company shall calculate the revised high rate assistance credits pursuant to Wis. Admin. Code § PSC 160.09 using county median household incomes in Appendix A, and submit such calculations to the Commission by January 2, 2003. If customers are eligible for high rate assistance credits, each company shall issue such credits effective beginning not later than February 1, 2003. Each local exchange company shall also recalculate such credits each time basic local residential or other rates included in the credit calculation are changed.

Dated at Madison, Wisconsin, _____

By the Commission:

Lynda L. Dorr
Secretary to the Commission

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See attached Notice of Appeal Rights

Notice of Appeal Rights

Notice is hereby given that a person aggrieved by the foregoing decision has the right to file a petition for judicial review as provided in Wis. Stat. § 227.53. The petition must be filed within 30 days after the date of mailing of this decision. That date is shown on the first page. If there is no date on the first page, the date of mailing is shown immediately above the signature line. The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

Notice is further given that, if the foregoing decision is an order following a proceeding which is a contested case as defined in Wis. Stat. § 227.01(3), a person aggrieved by the order has the further right to file one petition for rehearing as provided in Wis. Stat. § 227.49. The petition must be filed within 20 days of the date of mailing of this decision.

If this decision is an order after rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not an option.

This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

Revised 9/28/98

1999 Median Household Income per 2000 Census

County	Median Household Income	County	Median Household Income
Adams	\$ 33,408	Marinette	\$ 35,256
Ashland	31,628	Marquette	35,746
Barron	37,275	Menominee	29,440
Bayfield	33,390	Milwaukee	38,100
Brown	46,447	Monroe	37,170
Buffalo	37,200	Oconto	41,201
Burnett	34,218	Oneida	37,619
Calumet	52,569	Outagamie	49,613
Chippewa	39,596	Ozaukee	62,745
Clark	34,577	Pepin	37,609
Columbia	45,064	Pierce	49,551
Crawford	34,135	Polk	41,183
Dane	49,223	Portage	43,487
Dodge	45,190	Price	35,249
Door	38,812	Racine	48,059
Douglas	35,226	Richland	33,998
Dunn	38,753	Rock	45,517
Eau Claire	39,219	Rusk	31,344
Florence	34,750	St. Croix	54,930
Fond du Lac	45,578	Sauk	41,941
Forest	32,023	Sawyer	32,287
Grant	36,268	Shawno	38,069
Green	43,228	Sheboygan	46,237
Green Lake	39,462	Taylor	38,502
Iowa	42,518	Trempealeau	37,889
Iron	29,580	Vernon	33,178
Jackson	37,015	Vilas	33,759
Jefferson	46,901	Walworth	46,274
Juneau	35,335	Washburn	33,716
Kenosha	46,970	Washington	57,033
Kewaunee	43,824	Waukesha	62,839
La Crosse	39,472	Waupaca	40,910
Lafayette	37,220	Waushara	37,000
Langlade	33,168	Winnebago	44,445
Lincoln	39,120	Wood	41,595
Manitowoc	43,286		
Marathon	45,165		

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